

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1465 - SB 1251

March 17, 2023

SUMMARY OF BILL: Enacts the *Critical Infrastructure Identification, Prioritization, and Protection Act*.

Requires the Commissioner of the Department of Safety (DOS) to coordinate, in consultation with the Homeland Security Council (Council), the overall state effort to enhance the protection of the critical infrastructure and key resources of Tennessee. Requires DOS to identify, prioritize, and coordinate the protection of critical infrastructure and key resources that could be exploited to cause catastrophic health effects or mass casualties. Requires DOS to establish uniform policies, approaches, guidelines, and methodologies for integrating infrastructure protection and risk management activities within and across sectors. Requires the DOS, in consultation with the Council, to coordinate with appropriate departments and agencies to ensure the protection of other key resources including dams and government and commercial facilities. Requires the Council to evaluate the need for and make recommendations to DOS regarding coverage of additional critical infrastructure and key resources categories on a continual basis, as appropriate.

Requires the following agencies to identify and make recommendations regarding critical infrastructure and key resource protection needs to the council: (1) Department of Agriculture (DOA); (2) Department of Health (DOH); (3) Department of Environment and Conservation (TDEC); (4) Department of Transportation (TDOT); (5) Department of Finance and Administration (F&A); (6) Department of Military (DOM); (7) Tennessee Emergency Management Agency (TEMA), and; (8) Tennessee Public Utilities Commission (TPUC).

FISCAL IMPACT:

Increase State Expenditures – \$200,000/FY23-24/Highway Fund
\$2,646,400/FY23-24/General Fund
\$1,425,800/FY24-25 and Subsequent Years/General Fund

Assumptions:

- The DOS will require eleven Special Agents, two Intelligence Analysts, and one Administrative Assistant to meet the requirements of the proposed legislation.
- The increase in state expenditures related to these positions is estimated to be \$2,196,434 (\$795,408 salary + \$234,714 benefits + \$1,166,312 equipment, training,

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vehicles, communication, supplies) in FY23-24 and \$1,375,834 (\$795,408 salary + \$234,714 benefits + \$345,712 equipment, training, vehicles, communication, supplies) in FY24-25 and subsequent years.

- In addition, the DOS will require a new data storage and records management system to be custom built for the requirements of this legislation. The one-time increase in state expenditures to build the system is estimated to be \$450,000 in FY23-24.
- The recurring increase in state expenditures for maintenance of the system is estimated to be \$50,000 in FY24-25 and subsequent years.
- TDOT will need to hire a consultant to perform a study on its assets and recommend mitigation strategies for risks to critical infrastructure. The increase in state expenditures from the Highway Fund for the consultant is estimated to be \$200,000 in FY23-24.
- DOH states that many of the proposed requirements significantly overlap with current practices of the department, and that the department can comply with any additional requirements utilizing existing resources.
- Based on information provided by F&A, any fiscal impact to the department is estimated to be not significant.
- Based on information provided by DOA, any fiscal impact to the department is estimated to be not significant.
- Based on information provided by TDEC, any fiscal impact to the department is estimated to be not significant.
- Based on information provided by TPUC, any fiscal impact to the commission is estimated to be not significant.
- Based on information provided by DOM, any fiscal impact to the department is estimated to be not significant.
- It is assumed the Council can comply with the requirements of this legislation in the normal course of business utilizing existing resources.
- The total increase in state expenditures from the General Fund is estimated to be \$2,646,434 (\$2,196,434 positions + \$450,000 data system) in FY23-24.
- The total increase in state expenditures is estimated to be \$1,425,834 (\$1,375,834 positions + \$50,000 system maintenance) in FY24-25 and subsequent years.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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